

Message

From: dave.posnett [REDACTED] **GRO**
Sent: 20 Oct 2009 16:21:23
To: sue.lowther [REDACTED] **GRO** dave.m.king [REDACTED] **GRO**
Subject: Horizon Integrity
Attachments: 2Case Study 2 - Hertford Heath.zip; 1Case Study 1- Orford Road.zip

Sue/Dave,

Below details individuals that were invited to the conference calls - not all participated. There have been 2 conference calls; 25/09 & 02/10. It was envisaged that another would occur on 16/10, but that didn't materialise. Dave Smith phoned me last week - asked me a few questions and indicated that Alan Cook is asking for more robust defence of Horizon. I believe the Press Office are drafting a response to the challenges we have had, based on responses by conference call participants.

I also associate two emails that were sent by Adam Martin and Michele Graves following the last conference call.

Finally, I associate the case studies requested by Dave Smith, which concern 2 x prosecution cases.

----- Forwarded by Dave Posnett/e/POSTOFFICE on 20/10/2009 16:43 -----

Adam Martin
02/10/2009 16:24
To: Alana Renner [REDACTED] **GRO**, Bob Booth [REDACTED] **GRO**
Dave Hulbert [REDACTED] **GRO**, Dave Posnett [REDACTED] **GRO**,
ECT@ [REDACTED] **GRO**, Emily B Springfield [REDACTED] **GRO**, Hayley
Fowell [REDACTED] **GRO**, jeremy.worrell [REDACTED] **GRO**, John M
Scott [REDACTED] **GRO**, Michele Graves [REDACTED] **GRO**, Peter D
Johnson [REDACTED] **GRO**, Richard M Stephenson [REDACTED] **GRO**,
Rod Ismay [REDACTED] **GRO**
cc:
Subject: Horizon Integrity - The Grocer Web site article

Here is the website URL I mentioned on the call. I have a hard copy of articles from the magazine which mentions other PM's/branches. I will get a scan of that over the weekend and send that out too.

<http://www.thegrocer.co.uk/articles.aspx?page=independentarticle&ID=203826#>

Adam
Senior Operations Manager
Post Office Ltd
Service Delivery

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2009, Mobile: [REDACTED] **GRO**
External Email: [REDACTED] **GRO**

----- Forwarded by Dave Posnett/e/POSTOFFICE on 20/10/2009 16:44 -----

Michele Graves
05/10/2009 14:02
To: David X Smith [REDACTED] **GRO**, Alana
Renner [REDACTED] **GRO**, Bob Booth [REDACTED] **GRO**, Dave
Hulbert [REDACTED] **GRO**, Dave Posnett [REDACTED] **GRO**,
ECT@ [REDACTED] **GRO**, Emily B Springfield [REDACTED] **GRO**, Hayley
Fowell [REDACTED] **GRO**, jeremy.worrell [REDACTED] **GRO**, John M
Scott [REDACTED] **GRO**, Peter D Johnson [REDACTED] **GRO**, Richard

M Stephenson [REDACTED] GRO } Rod Ismay [REDACTED] GRO } Adam
Martin [REDACTED] GRO , Philippa J Wright [REDACTED] GRO
cc:
Subject: Re Horizon integrity issues - action point from Friday

Hi All

Following on from Friday's conference call, I was asked to look into who the subpostmaster was behind the postofficevictims website.

I understand this to be an Alan Bates whose contract was terminated in 2003.

Mr Bates also features in Rebecca Thomson's articles for Computer Weekly (you may recall for our past communications that she raised a challenge to the system earlier this year via Brian Binley (in turn via BIS).

If you have not already done so, I would draw your attention to www.computerweekly.com and enter 'post office horizon' into the search facility. This will take you through to articles on Horizon and most notably the two latest of 10 and 28 September 2009. The former is from David Jones MP saying he is considering a Commons debate and the latter around the potential setting up of a subpostmaster action group. Subpostmasters are invited to email Rebecca or Mr Bates.

Potential interest from BBC Watchdog is also mentioned.

Rgds

Michele Graves
Executive Correspondence Manager
Executive Correspondence Team
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[REDACTED]
GRO

Post Office HR Help

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----- Forwarded by Dave Posnett/e/POSTOFFICE on 20/10/2009 16:47 -----

Dave Posnett
05/10/2009 12:39
To: David X Smith [REDACTED] GRO
cc:
Subject: Horizon Integrity - Prosecution Case Studies

Dave,

As requested.

In order to address the concerns about the integrity of the Horizon system, I have prepared two case studies. It should be noted that these cases were prosecuted, whereby the burden of proof is measured as 'beyond reasonable doubt'. As you know, this differs to suspensions and termination of contracts, whereby the burden of proof is measured as 'balance of probability'. I do not doubt that appeals cases are dealt with methodically and fairly, but it is within my working knowledge to say that prosecution cases are considered carefully, by the Investigator, Senior Security Manager and the Criminal Law Team, before authorisation to proceed is granted. Prosecutions are then

subject to strict rules and regulations within the legal system, so the entire process is both thorough and fair.

Whilst there are a mountain of documents associated with prosecution cases, I have extracted a few of the most relevant documents, along with a brief description and comments. This provides an end to end summary of each case, including the Horizon aspects, without irrelevant and superfluous documents.

Case Study 1

This case concerns the theft of £200k at Orford Rd SPSO. I have associated the following documents within the file:

01 Offender Report. This outlines the case, including the fact that the Defendant admitted the theft to the Auditor and Contracts Manager, including a written confession, before later pleading not guilty in court. When interviewed under caution, the Subpostmaster offered no admissions to the questions put to him.

02 Fujitsu Analysis. This details the request by Defence solicitors to examine the Horizon system, the work carried out by Fujitsu and the costs. All requested work was undertaken and reported back to the Defence solicitors. I am not aware if there were any issues around the integrity of Horizon as a result of this activity, but would assume that if there were issues, then this would have been notified to the court and Post Office Ltd.

03 Legal Memo - The Trial. It can be seen that there was a voire dire (a trial within a trial - a legal framework where the Barristers and Judge can address points of law and objections to proposed evidence). It is interesting that there are 3 objections, none of which concern the integrity of Horizon. The objections relate to the admissions by the Defendant to the Auditor and Contracts Manager and the letter of confession. The Judge refused to omit these from the trial, for the reasons contained within the memo. In addition to the lack of objections around the Horizon system, it is also worth noting that no Fujitsu individual was requested by Defence to give evidence at the trial.

04 Legal Memo - The Sentence. Having been found guilty by a jury, the Defendant was sentenced to 3 years imprisonment.

Summary/Points Of Interest

In my opinion, some Post Office Ltd prosecutions where Horizon analysis is requested, are merely an attempt to muddy the waters or hope that the case is dropped. This particular case involved £7,100 of taxpayers money being spent on analysis, yet the results of that analysis were not disputed (or possibly even referred to) at the trial. There was also no attempt to call Fujitsu individuals as witnesses and give live evidence. The Investigator in the case also recollects that the Horizon kit at Orford Road wasn't removed - it was used by the incoming Subpostmaster, with no problems reported.

Case Study 2

This case concerns the reintroduction of green giro cheques at Hertford Heath SPSO. The pouches containing paid green giros went 'missing' and it transpired that some of these paid green giros were reclaimed in the following week, whereby the monetary values were stolen. In total, the loss in this case was £13k. I have associated the following documents within the file:

01 Offender Report. This outlines the case and explains the modus operandi. The Subpostmistress was interviewed about the missing green giros and then re-interviewed under caution following further investigations. No explanation was offered.

02 Legal Memo - The Trial. Due to a new Barrister being appointed, the trial was adjourned. At this hearing, the new Barrister requested that the Horizon system be examined and this request was granted.

03 Fujitsu Analysis. This details the request by Defence solicitors and the costs involved. The Defendant wasn't granted legal aid and it was agreed that Fujitsu could simply provide an additional witness statement to cover off the issues raised by the Defence.

04 Legal Memo - The Sentence. Despite the lack of an explanation by the Defendant and subsequent requests to examine the Horizon system, guilty pleas were entered before the trial commenced. The Defendant was sentenced to a 9 month suspended prison sentence.

Summary/Points Of Interest

Again, this suggests an attempt to muddy the waters or hope the case is dropped. There was no real concern about the Horizon system, as demonstrated

by the Defendant pleading guilty.

General

Where Horizon data is used as evidence in a prosecution case, Fujitsu are contracted to provide a witness statement and give live evidence if requested. A significant amount of data is provided by Fujitsu, with only a few witness statements (not necessary when Defendants plead guilty) and rare attendance at court to give evidence. Defendants have a right to question the integrity and data of the Horizon system, yet this avenue is not really pursued - one would think that if someone is innocent, then they would pull out all the stops to disprove the allegations against them. Post Office Ltd prosecutions have a high success rate (approximately 95%), suggesting that cases are as watertight as they can be. There were 56 successful prosecutions in 08/09, 49 in 07/08 and 75 in 06/07, and these appear to far outweigh any challenges made.

Regards,

Dave Posnett
Fraud Risk Manager

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